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Identical letters dated 29 January 2016 from the Permanent Representative of the Russian Federation to the United Nations addressed to the Secretary-General and the President of the Security Council

I have the honour to transmit herewith information on illegal trading in hydrocarbons by Islamic State in Iraq and the Levant (ISIL), together with an unofficial translation into English.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(*Signed*) V. **Churkin**

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Annex to the identical letters dated 29 January 2016 from the Permanent Representative of the Russian Federation to the United Nations addressed to the Secretary-General and the President of the Security Council

Illegal trading in hydrocarbons by ISIL

Most hydrocarbons extracted from ISIL-controlled areas are channelled through Turkey. Oil and oil products are mainly imported to Turkish territory by fuel tankers via the border checkpoints of Karkamış (570 km south-east of Ankara, Gaziantep province), Akçakale (640 km south-east of Ankara, Şanlıurfa province), Cilvegözü (530 km south-east of Ankara, Hatay province) and Öncüpınar (520 km south-east of Ankara, Kilis province). Every day, 100 to 150 fuel trucks pass through these checkpoints. Furthermore, crude is transported along rural roads not controlled by the Turkish security forces. Up to 4,500 vehicles in total are being used for this. A number of Turkish companies are engaged in supplying fuel trucks to ISIL, including Serii in Konya (owner — Mr. Mustafa Serii) and Sam Otomotiv in Antakya (owner — Mr. Habib Haydaroglou).

In Turkey, the crude is delivered to the Tüpraş refinery (Turkish Petroleum Refineries Co.) located in Batman, 750 km south-east of Ankara. Smuggled fuel is also processed in small Turkish factories and channelled through the gas stations of small companies: Opet Nizig, Alpet, Kadoil, Oneoil, Teco Alacali and Mavigöl Gaz. Dealers in illegal oil-refining products operating in the Turkish provinces of Gaziantep, Şanlıurfa, Kahramanmaraş, Kilis and Hatay enjoy the protection of corrupt local officials.

Most hydrocarbons are shipped through Turkish sea terminals on the Mediterranean coast, mainly the seaport of Ceyhan, 415 km south-east of Ankara. Transportation includes the use of tankers from BMZ Group Denizcilik ve İnşaat A.Ş. The company was founded in 2013; its registered capital totals approximately US$ 1 million and its office is located in Istanbul at 3 Gürgen Street in the Üsküdar district. The company's fleet consists of five tankers: Mecid Aslanov, Begim Aslanova, Poet Qabil, Armada Fair and Armada Breeze.

The Turkish company Powertrans, part of Çalık Holding A.Ş., whose Director-General is Mr. B. Albayrak, is reported to be involved in the oil trade with ISIL.

The Turkish Petroleum International Company has concluded a Turkish Government-guaranteed contract with Kurdish businessmen from Northern Iraq and is jointly implementing oil production and processing projects with companies in the Kurdish Autonomous Region. There is reason to believe that this arrangement is also an outlet for ISIL to sell energy resources.

The Turkish oil and gas corporation TPAO and the Genel Energy company, in collaboration with the State-owned pipeline corporation BOTAŞ, are upgrading their capacities to import illegal crude hydrocarbons from Iraq and the Syrian Arab Republic. To that end, work has been carried out to expand the Yumurtalık oil terminal (connected to the Iraqi-Turkish Kirkuk-Ceyhan pipeline), increasing its storage capacity to 1.7 million tons.

The crude legalized in Turkey then ends up in different parts of the world and is virtually impossible to trace. Companies involved in the resale of hydrocarbons

extracted under ISIL control include Palmali Shipping and Agency JSC (Turkey), General Energy (United Kingdom and Turkey) and Saudi Aramco (Saudi Arabia).

The funds raised from oil sales are used by ISIL to buy, inter alia, weapons, military equipment, ammunitions and materiel. Another source of funding is donations from private individuals and Islamic organizations, mainly from the Gulf States and Turkey. The supreme military council of ISIL allocates more than US$ 30 million every month for such purposes.

Turkish territory is also actively being used by terrorists for illegal deliveries of weapons and ammunition. They receive assistance from Turkish Islamist non-governmental associations and foundations, in particular the Foundation for Human Rights and Freedoms and Humanitarian Relief (President — Mr. B. Yıldırım). The Foundation is headquartered in Istanbul at No. 3 Taylasan Street, Büyük Karaman province in the Fatih district. Under the guise of charitable work, it provides assistance to fighters and, for that purpose, has opened accounts at the following Turkish banks: Ziraat Bankası, Al Baraka, Kuveyt Türk and VakıfBank. This organization's involvement in purchasing weapons for terrorist organizations in the Syrian Arab Republic was proven by the discovery of military equipment in trucks "delivering humanitarian aid to the refugees" detained near the Turkish-Syrian border.

ISIL combat units use off-road pickup trucks, mounting various weapons on them. According to data from the Turkish Statistical Institute, the delivery of fuel trucks, trailers, semitrailers and off-road vehicles from Turkey to the Syrian Arab Republic increased nine fold from 2012 to 2015. Over four years, around 400 vehicles worth US$ 7.2 million were supplied. The value of supplies for the first nine months in 2015 was US$ 3.2 million.

Weapons and ammunition are provided to ISIL via uncontrolled parts of the Syrian Arab Republic's State border with Turkey and Iraq. The Syrian border crossings Bab al-Hawa (10 km south-east of Reyhanlı), Bab al-Salam (6 km north-east of Azaz) and Jerablus (105 km north-east of Aleppo) are used for the delivery of weapons and ammunition from Turkey.